



More Than a Port: Greater Houston Port Region. Overview & Operations

CAPT Eric M. Carrero, USCG Ret.

President

Greater Houston Port Bureau

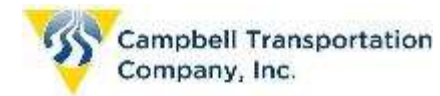


The Greater Houston Port Bureau

- Founded in 1929
- 240+ companies working together to promote cooperation and efficiency within the maritime community
- We offer members:
 - Advocacy
 - Networking
 - Vessel information
 - Port information
- Marine Exchange of Texas- MISNA member
- Manage:
 - Houston Ship Channel Security District



2024
Port
Bureau
Executive
Partners



Houston Ship Channel Region

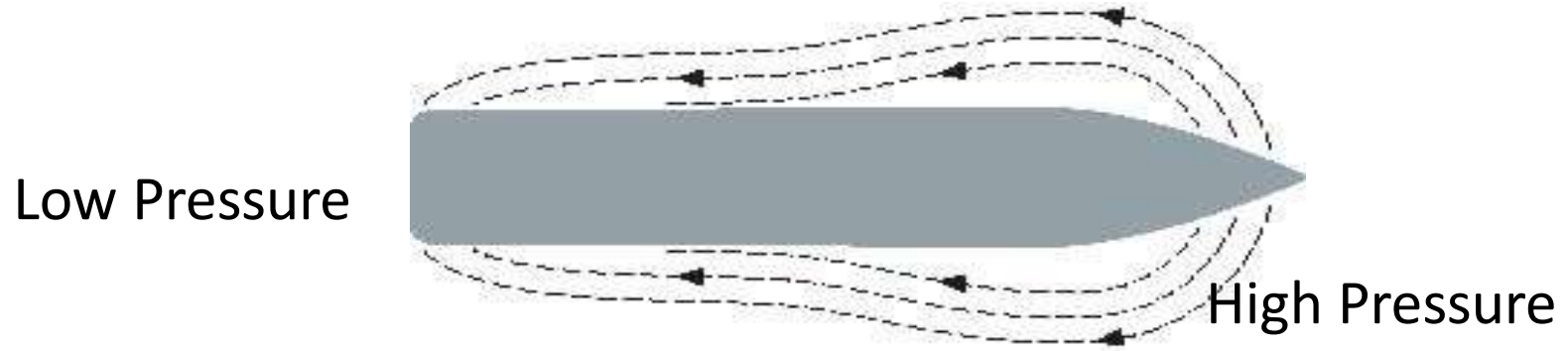
52 miles long
530 ft wide
45 ft deep

Vessel restriction:
no more that 1,100ft in length

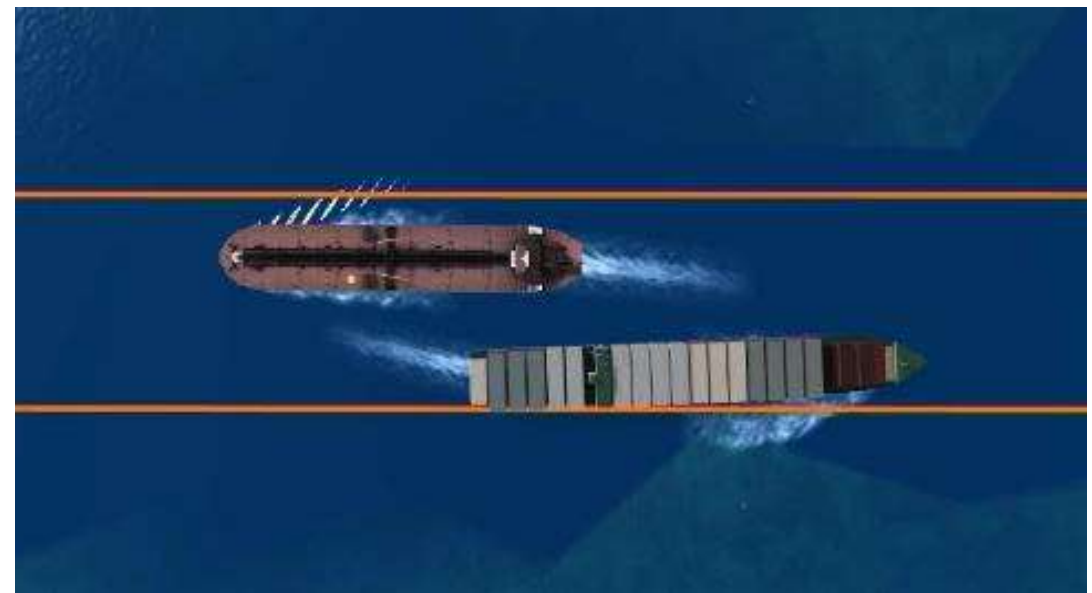
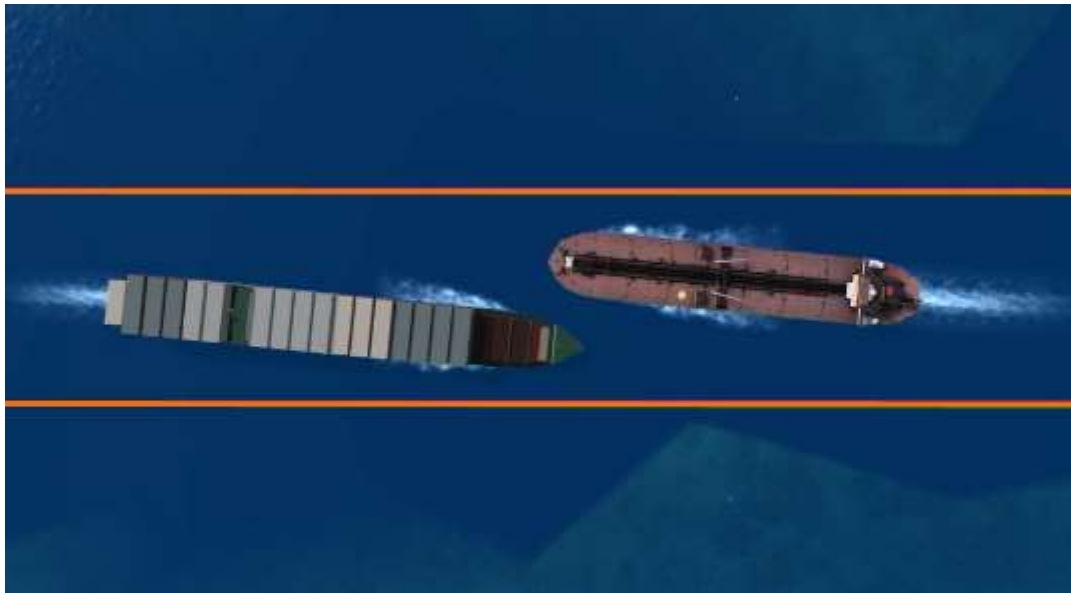


Texas Two Step

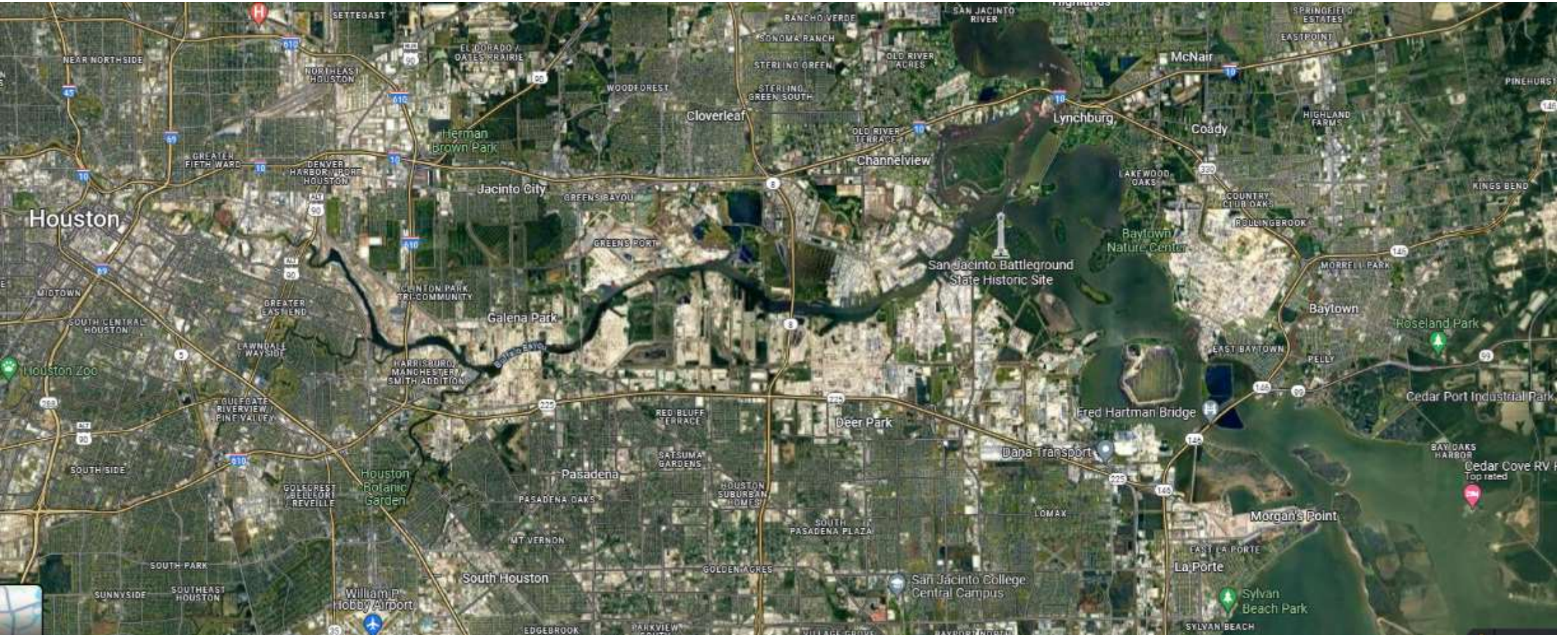
Water Flow Around a Moving Ship

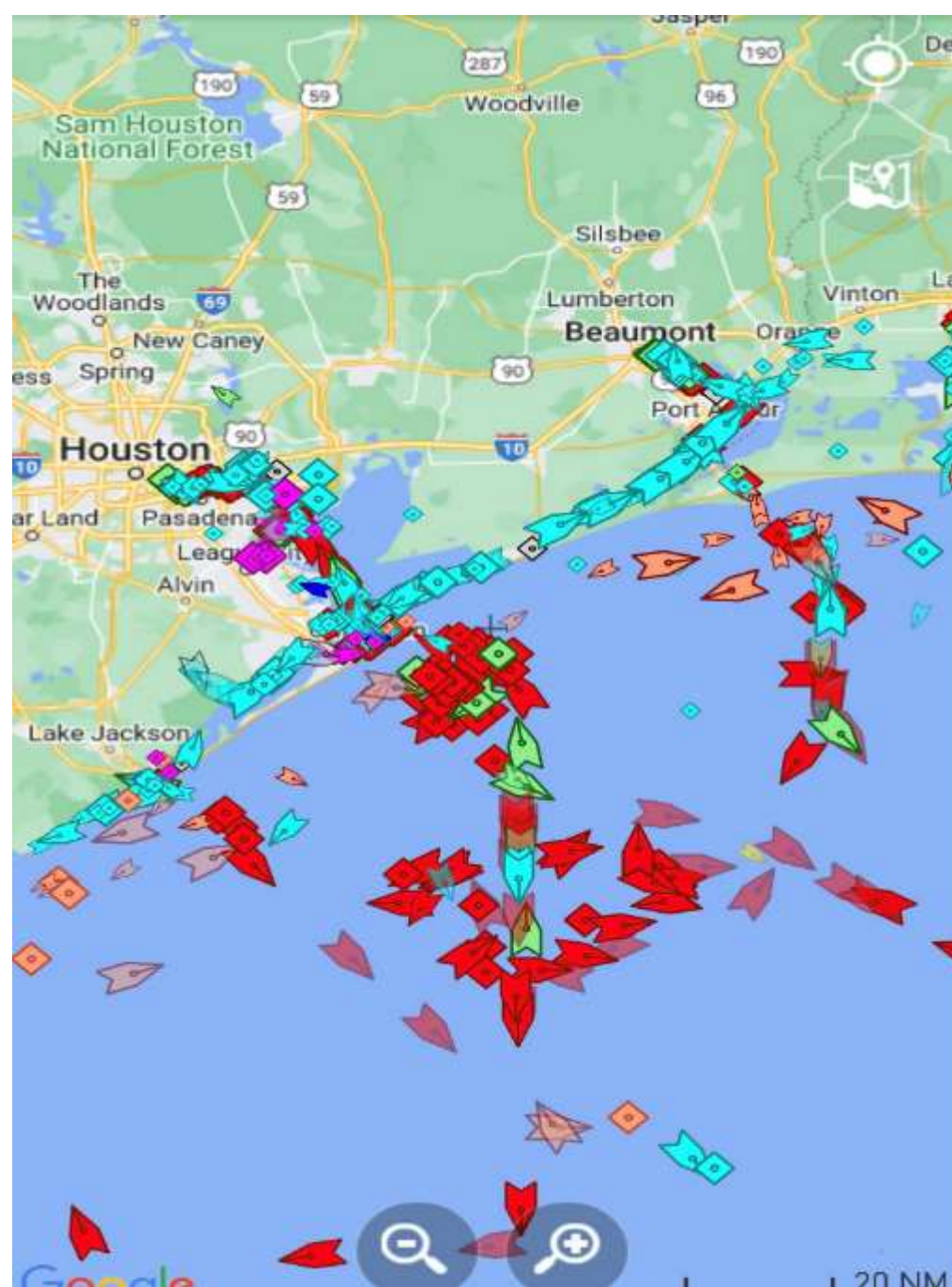
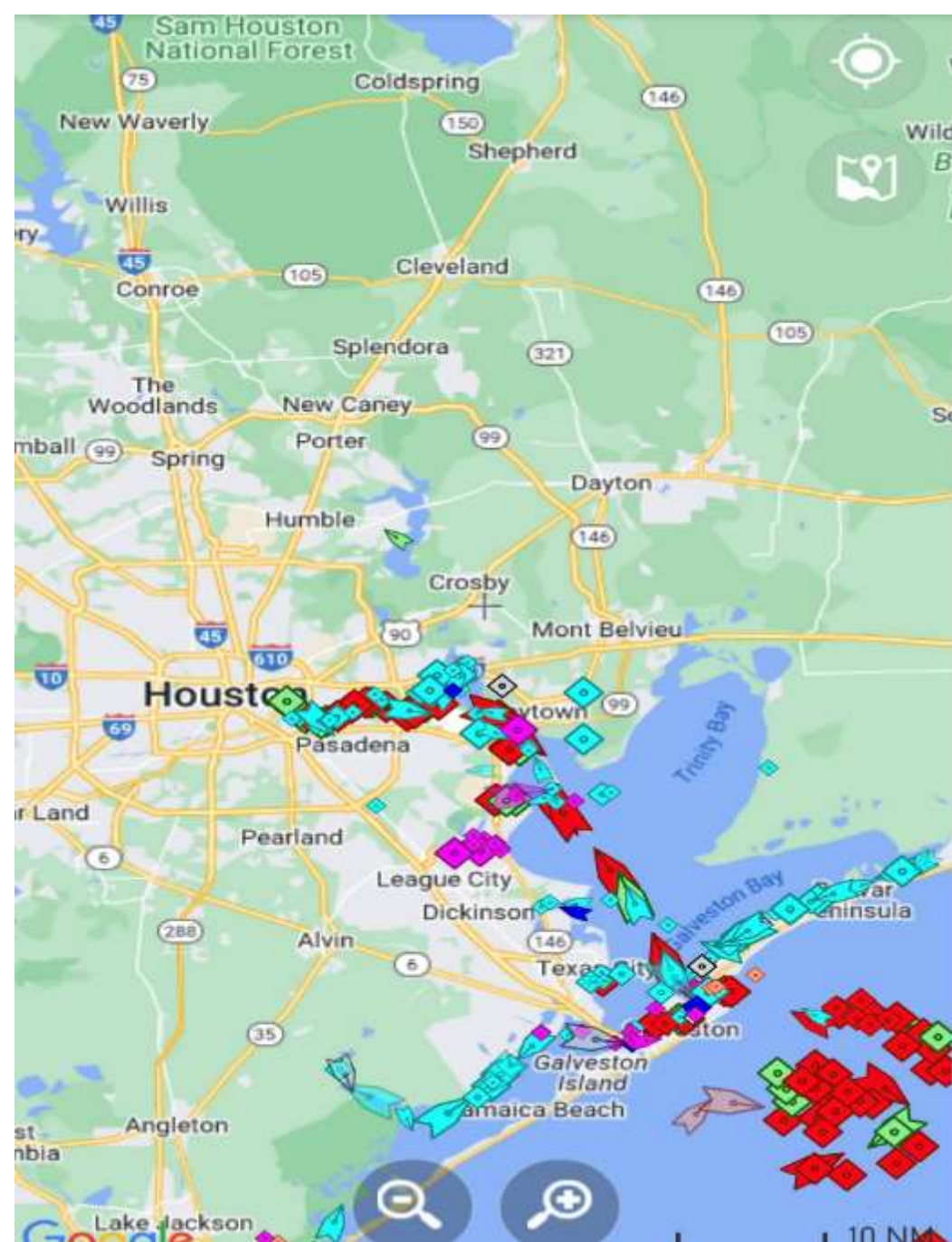


Source: Houston Pilots



Houston Ship Channel Recognized as the Largest Petrochemical Complex in the U.S.





AIS Data in the Houston Ship Channel

Vessel Traffic Service (VTS) Transits - 2023

Tug/Tow	138,272	-0.8%
Ships	22,899	+0.2%
Miscellaneous	8,999	+16%
<hr/>		
SubTotal	170,170	+0.1%
Ferries	58,804	-3.6%
TOTAL	228,974	-0.9

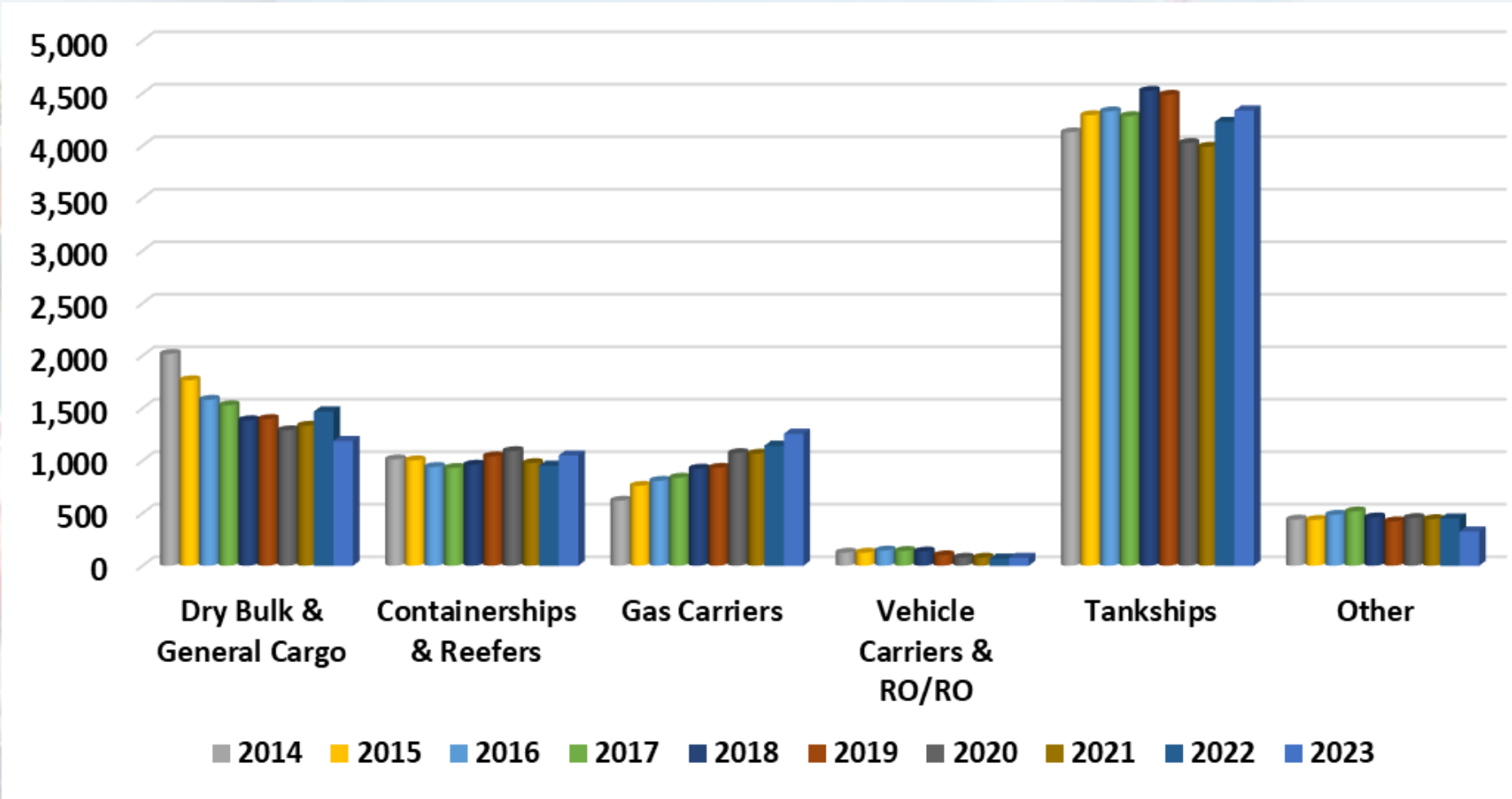


Greater Houston Port Bureau Monthly Statistical Report September 2024

Summary - Vessel Arrivals

Port	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD 24	YTD 23	YTD %Δ	QTQ %Δ	MTM %Δ
Brownsville	23	23	27	23	21	27	22	24	24	190	196	-3% ▼	-3% ▼	9% ▲
Corpus Christi	204	197	199	201	211	200	206	222	210	1,640	1,710	-4% ▼	2% ▲	8% ▲
Freeport	98	98	81	82	99	105	93	96	111	752	760	-1% ▼	3% ▲	3% ▲
Galveston	115	98	119	101	91	96	95	84	97	799	761	5% ▲	-13% ▼	-12% ▼
Houston	645	701	729	693	710	725	687	748	689	5,638	5,474	3% ▲	3% ▲	9% ▲
Matagorda	18	20	18	21	21	16	14	21	7	149	173	-14% ▼	4% ▲	50% ▲
Sabine	266	244	261	261	267	272	259	264	235	2,094	2,105	-1% ▼	4% ▲	2% ▲
Texas City	64	70	71	65	73	79	63	72	58	557	526	6% ▲	6% ▲	14% ▲
Grand Total	1,433	1,451	1,505	1,447	1,493	1,520	1,439	1,531	1,431	11,819	11,705	1% ▲	2% ▲	6% ▲

Houston Vessel Arrivals-Ship Type by Year



More Than Crude Oil & Gasoline





>96% of all manufactured goods are directly touched by the petrochemicals industry



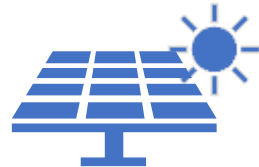
Electronics

Devices such as semi conductors, cell phones and computers are derived from petroleum products



Asphalt

A building block of roads, key to keeping our growing world connected



Renewable Energy Materials

Oil is needed to create materials used to manufacture batteries, solar panels, wind turbines, and even electric cars



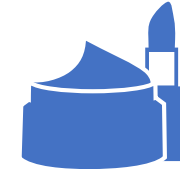
Medicines

99% of pharmaceutical feedstocks and/or reagents are derived from petrochemicals



Plastics

Oil is needed to produce almost all plastics – including everything from water bottles to cars. In fact, plastics make up 50% of the volume of new cars and only 10% of the weight!



Cosmetics

Deodorants and makeup, among other cosmetic materials, are often produced from petrochemicals



Cleaning Products

Products needed to keep you and your family safe from exposure to illnesses and bacteria are produced from oil products

Products Include...

food packaging, clothing and footwear, textiles, carpets, furniture, detergents, diapers, sports equipment, lighter vehicle exteriors like cars, planes, and boats; synthetic rubber tires, fuel additives, engine coolants, interior car panels, car seats and carpet, coatings, insulation, paints, road paving materials, pharmaceuticals, sterile packaging (single-use) like IV bags, syringes, medicine bottles, liners; ethyl-alcohol / hand sanitizer, ventilators, heart rate monitors, suction machines, defibrillators, oxygen masks, personal protective equipment (PPE) like gloves, gowns, and face masks; wind turbine and solar panel parts, battery containers and parts, coatings, insulation, paints, unbreakable glass, agro-chemicals, etc.

Sources: IEA, American Chemistry Council and National Institute of Health

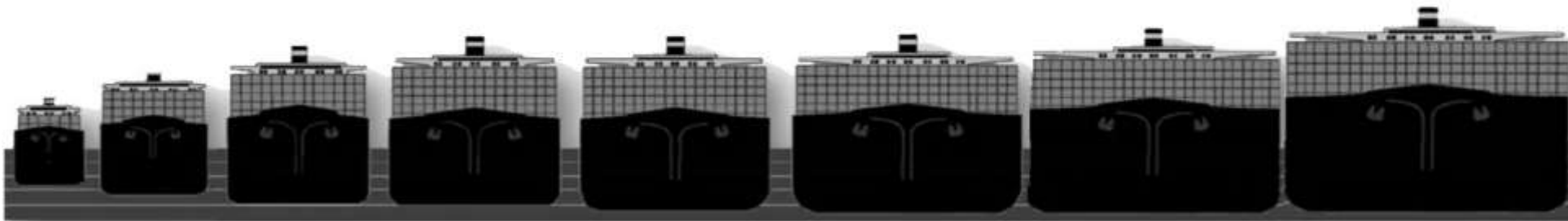
Port Houston/ Containers





Container Ship Evolution

1960's	1970's	1980-85	1986-2000	2001-2010	2011-2014	2015-2016	2017
1,500 TEU	2,300 TEU	3,200 TEU	4,800 TEU	9,600 TEU	13,500 TEU	19,100 TEU	21,400 TEU



Economic Impact of the port region



2022 Economic Impact of the Houston Ship Channel - Summary of Results

1,540,417 jobs supported
by Port activity

- Direct Jobs: 78,308
- Induced Jobs: 138,161
- Indirect Jobs: 68,787
- Related Jobs: 1,255,160

\$439.2 billion of total
economic value - 18.6% of
State GDP

- \$29.6 billion of direct business revenue
- \$20.3 billion of re-spending of direct income and local consumption purchases
- \$389.3 billion of output supported with related port users

\$10.6 billion of state
and local taxes

- \$2.6 billion of direct, induced and indirect state and local taxes
- \$8.0 billion of state and local taxes with related exporters and importers supported by port activity

Public and private marine terminals along the Houston Ship Channel supported a total of \$906.0 billion of total U.S. economic value, not counting the ports of TXC, Galveston and Freeport.

Port of Galveston/ Cruise



Port of Galveston – New Cruise Records

- **2023**
 - 42% cruise passenger growth last year
 - The Port of Galveston welcomed 1.49 million passengers and set a record of 354 cruise ship sailings
 - **4th in the nation in PAX volumes, 10th in the world.**
- **Growth driven by:**
 - Third cruise terminal opened
 - Strong national cruise industry
 - Galveston’s popularity as a cruise home port
 - More and larger ships homeporting here.
- 2024 Carnival Jubilee arrived and more sailings by other cruise lines will continue growth



New Cruise Terminal & future ops

- AUG 20th - official groundbreaking ceremony for the \$151M cruise terminal complex going in at Pier 16.
- Fourth cruise terminal, and home to MSC SEAESCAPE, with opening scheduled for November 2025.
- Galveston is converting a cargo warehouse into a 165,000-square-foot cruise terminal, a \$96m project including pier work, two passenger boarding bridges and ground transportation areas, and building.
- In addition, a \$55M parking garage for approximately 1,700 vehicles.



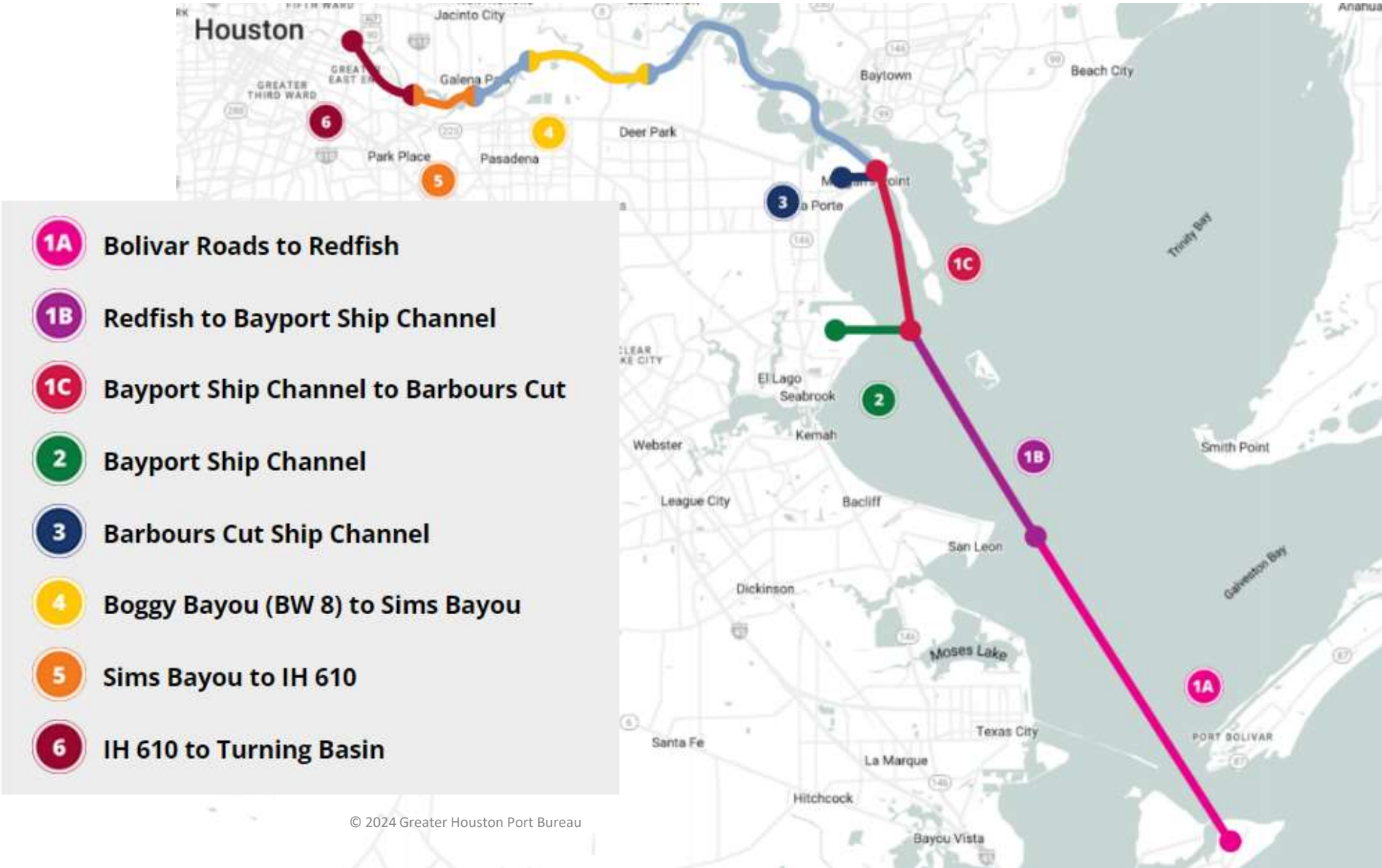
What's Next?

Can We Continue
to Expand
Operations?



Project 11-Houston Ship Channel Expansion

Project 11



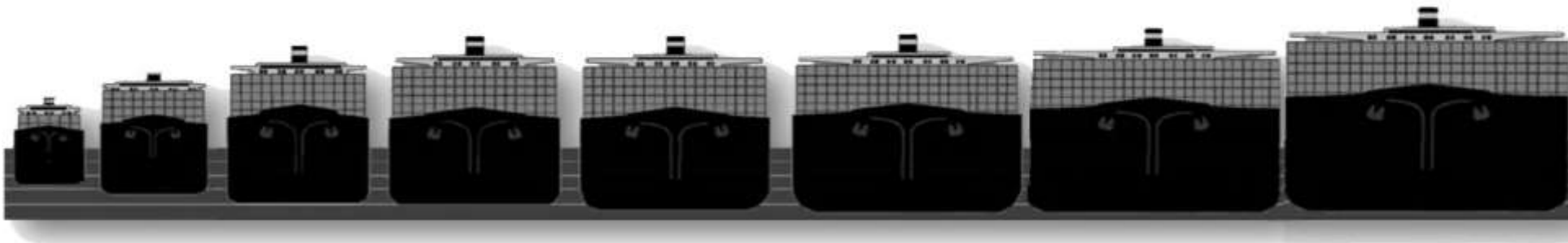
They are Coming...Less Transits, More Cargo





Container Ship Evolution

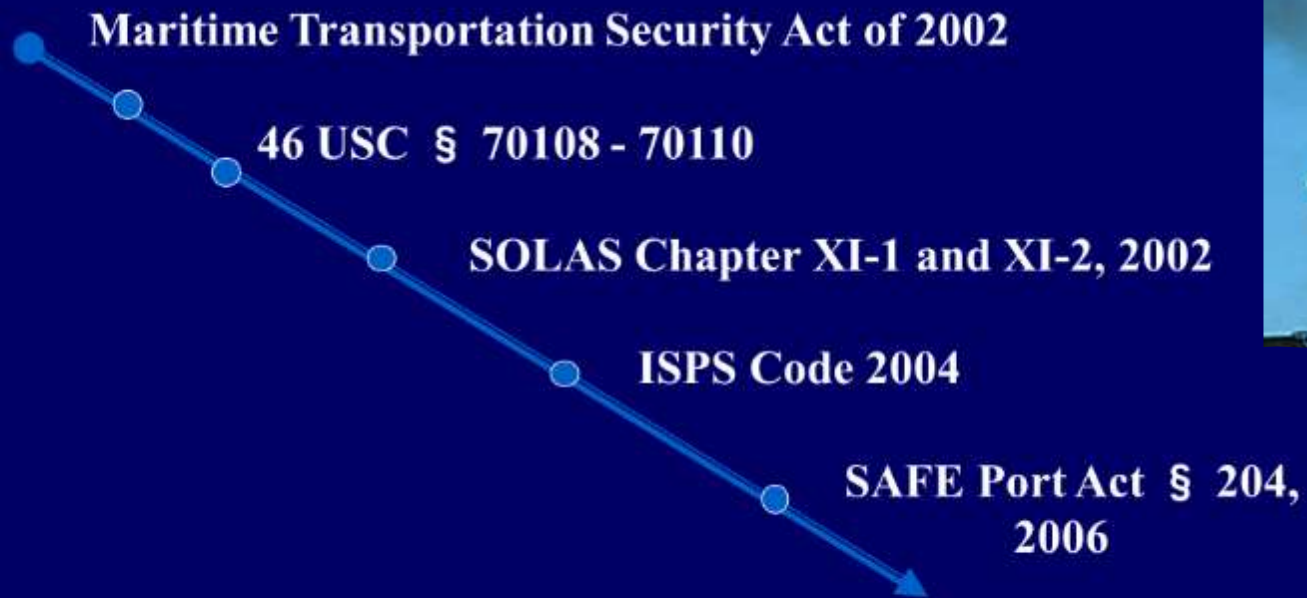
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Port Security- MTSA

HOW DID WE (U.S.) GET HERE?

Homeland
Security Act of
2002



Coast Guard International Port Security Program

- Engage in bilateral & multilateral security discussions w/ trading nations
- Share and align maritime security practices
- Report findings to US GOV w/ some info shared w/ host country
- Exchange best practices



Houston Ship Channel Security District



HSCSD Governance

- The Houston Ship Channel Security District (HSCSD) is a public-private partnership formed to address a system-wide approach to security on the upper Houston Ship Channel.
- Industry initiated Texas Legislative Bills (HB 3011/SB 1474) that passed in May 2006 and was signed by Governor Perry on 15 June 2006. Thus creating the HSCSD as an assessment area for the funding of security projects along the Houston Ship Channel.



Action – Land, Air, and Sea

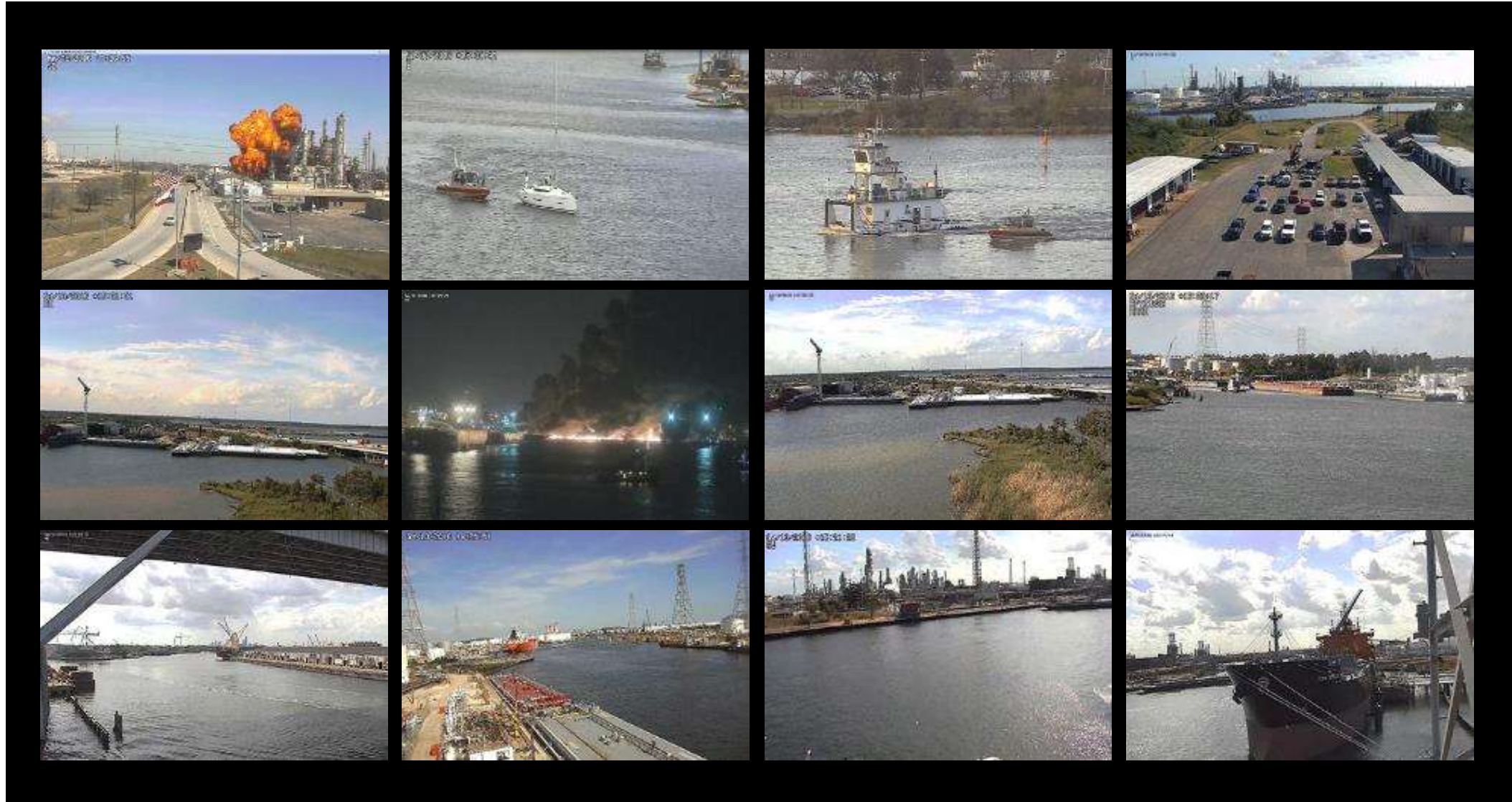


- Shore patrols around HSC by local L/E- grant money

- Air patrols over HSC by HPD in a helicopter-Fuel and pilot costs paid for by HSCSD

- Waterborne patrols by HCSO, HPD, & TPWD- Vessels purchased with grant money

Action - Cameras

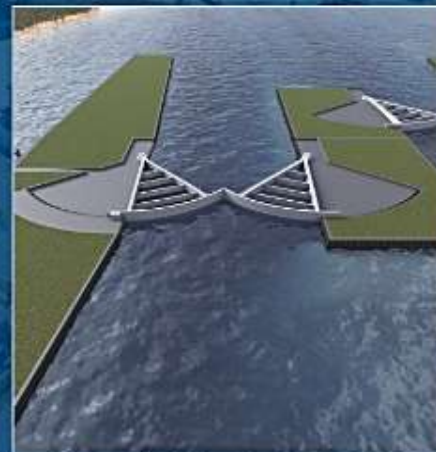




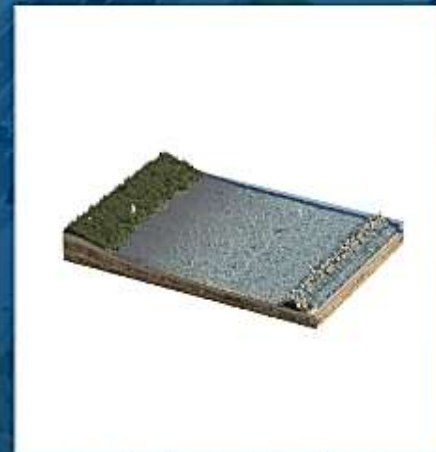
Hydrologic Restoration



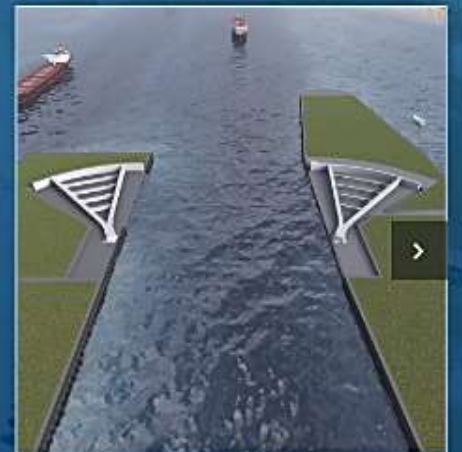
Aerial



Deep-draft Navigation Gates



Breakwater Creation



Sector Gates

San Jacinto College Houston Pilots Ship Simulator



Proposed Alternate Designs Houston Ship Channel Gate Complex



The Future

- Industry can't do it alone
- The public-private partnership works
- Expand partnerships with governments and law enforcement
- Build on the existing cooperation of industry
- Expand education and training to keep up with ever-changing threats and new technology
- Continued support of security projects and services



Join us at the Commerce Club luncheon on Thursday, November 14, 2024, guest speaker COL. Rhett Blackmon, Commander and District Engineer for the U.S. Army Corps of Engineers Galveston District.



Colonel Rhett A. Blackmon is the Commander and District Engineer for the U.S. Army Corps of Engineers Galveston District where he leads a water resource district with an authorized strength of more than 600 civilian and military professionals and project authorizations totaling more than \$7.4 billion.

November 14
Commerce
Club

Contact Information



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txgulf.org



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